

*Accelerating Exploration in a World Class Gold District*



Lefroy Exploration Limited

# **Investor Presentation June 2018**

Wade Johnson  
Managing Director

12 June 2018

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# Company Summary

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- Lefroy Exploration Limited (LEX or Lefroy) controls a major tenement portfolio in the Kalgoorlie Goldfields, Lake Johnston and Murchison districts in Western Australia, with more than 577km<sup>2</sup> in the Lefroy Gold Project (LGP) alone
  - Lefroy is targeting high-value gold deposits capable of being rapidly developed
  - To accelerate exploration on the LGP, Lefroy recently secured a \$25million Farm-in and JV with Gold Fields over the western part of the LGP adjoining Gold Fields St Ives mining operations
  - LEX retains the Lucky Strike prospect on the eastern part of the Lefroy Gold Project where drilling has intersected multiple shallow high grade gold intersections including **5m at 13.6g/t Au from 84m in LEFR070**
  - Interpretation of the results from Lucky Strike has identified new emerging gold trends in the immediate area, plus the Capstan surface anomaly
  - Growth pipeline of quality gold exploration targets to be evaluated in 2018
  - Experienced exploration team with proven ability to execute programs to deliver discoveries
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## Board

- **Gordon Galt** – Non Executive Chairman
- **Wade Johnson** – Managing Director
- **Michael Davies** – Non Executive Director
- **Geoff Pigott** – Non Executive Director
- **James Beecher** - Non Executive Director

## Corporate Details

**Issued Capital** : 64.8 million shares

**ASX Restricted Securities**: 16.7 million shares

**Options on Issue**: 1 million unlisted

**Cash**: \$1.2M ( 30 March 2018)

**Debt**: Nil

**Investments**: Nil

**Market Capitalisation @ \$0.16/share**: \$10.7M

**Top 20 Shareholders**: ~72%

**Board Ownership**: ~34%

Major Shareholders	Shares * (M)	%
Michael Davies <sup>1</sup>	9.9	15.2
Other Directors <sup>1</sup>	6.6	10.2
Resource Capital Fund	6.75	10.5
Lefroy Exploration Share Plan Pty Ltd	5.8	8.9
Element 25 Limited (ASX:E25)	4.2	6.5
Lithium Australia (ASX:LIT)	3.0	4.6

<sup>1</sup> Does not include share plan share allocations

# Project Portfolio

*Targeting high-value gold and nickel deposits capable of being rapidly developed*

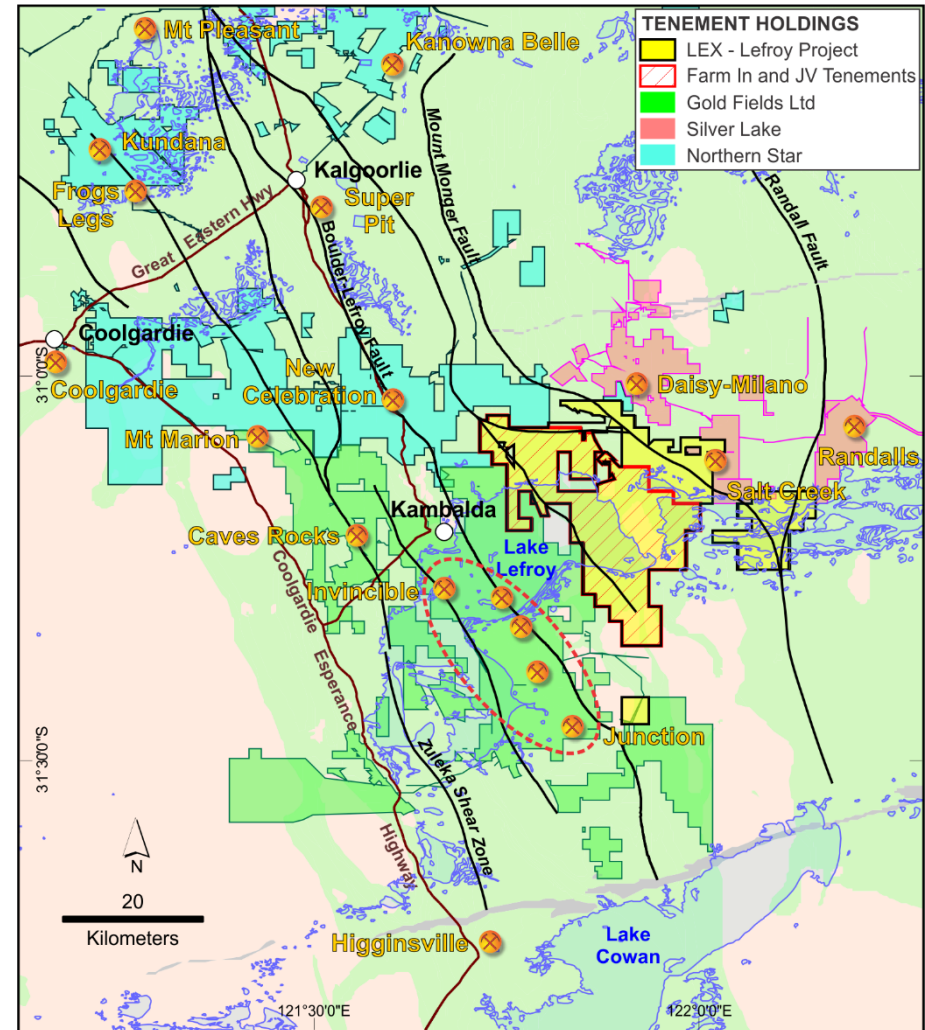
- **Focus:** undertake exploration for gold and nickel in premier areas of the Yilgarn Craton of Western Australia
- **The Lefroy Gold Project:** flagship project of 577km<sup>2</sup> of contiguous tenements within 50km of Kalgoorlie. Exploration being accelerated following partnership with Gold Fields on the western part of the project
- **Lake Johnston Project:** 300km<sup>2</sup> of tenure prospective for nickel and gold
- **Murchison Project:** large package tenements between Cue and Big Bell prospective for gold



# Lefroy Gold Project

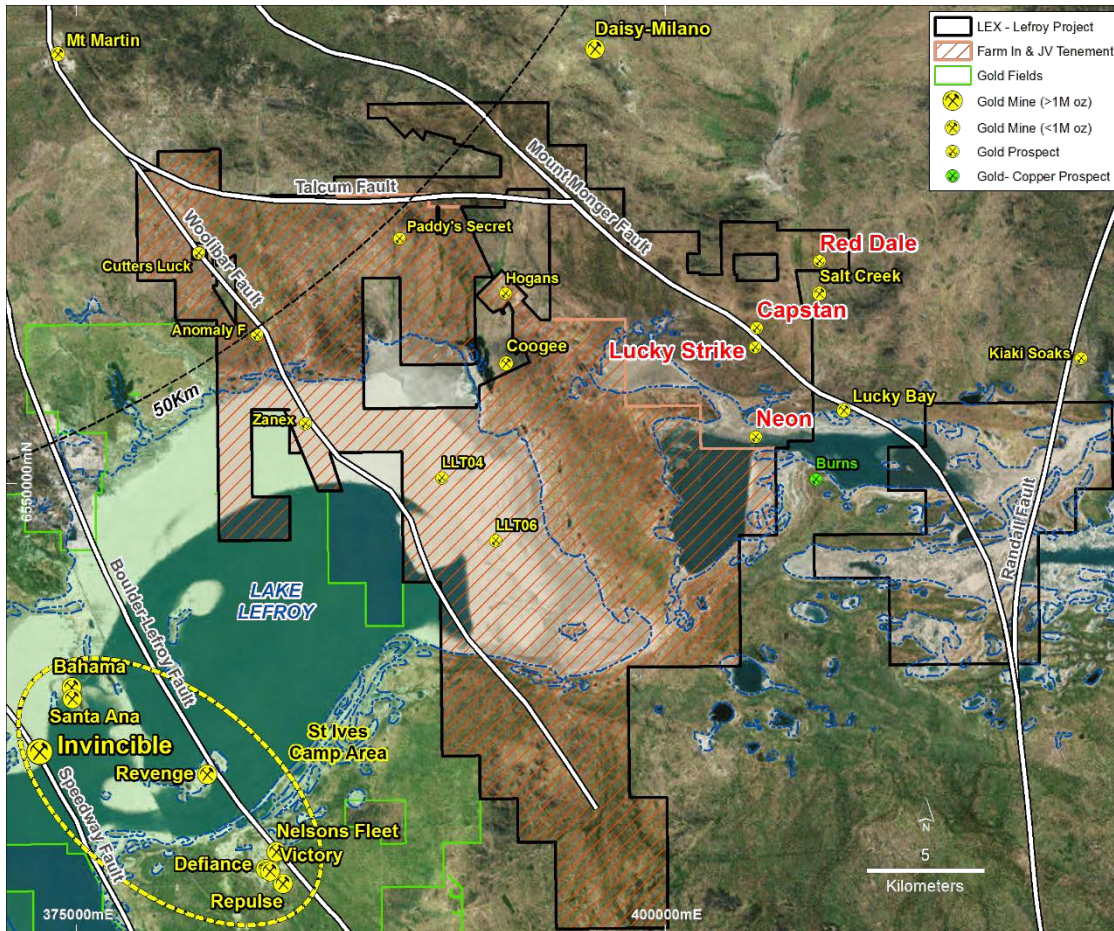
*Flagship project in a highly gold endowed district of the Eastern Goldfields*

- Commanding wholly owned large land package within world-class gold producing district
- Exploration being accelerated on the western side of the LGP with execution of a \$25 million Farm-in and JV with Gold Fields
- Project area bounded by major regional structures that control gold mineralisation in the district
- Adjoins Gold Fields St Ives gold operation an area of consistent focused high exploration budget expenditure
- Most notable recent discovery and development is the Invincible Mine at St Ives by Gold Fields
- Enveloped by Major and Mid Tier gold mining companies



# Lefroy Gold Project-Accelerating Exploration

## LEX secures a \$25million Farm-in and Joint Venture with Gold Fields



- Gold Fields to spend \$25million in 6 years to earn 70% interest
- Area subject to the Farm-in comprises 64% of the total Lefroy Gold Project
- Farm-in area covers the prospective Woolibar Fault corridor, and the Zanex Prospect, in Lake Lefroy
- LEX to focus on the non JV eastern tenure package which includes Lucky Strike and its strike extensions

## *Key Terms –Farm-in and Joint Venture with Gold Fields*

- Gold Fields can earn up to a 70% interest in the western tenement package, by spending up to \$25 million on exploration within 6 years from commencement of the Agreement

### Stage 1 farm-in requirements:

- Gold Fields sole funds \$10 million within 3 years to earn a 51% joint venture interest
- This includes a minimum commitment of \$4 million within 2 years before Gold Fields can elect to withdraw from the Agreement

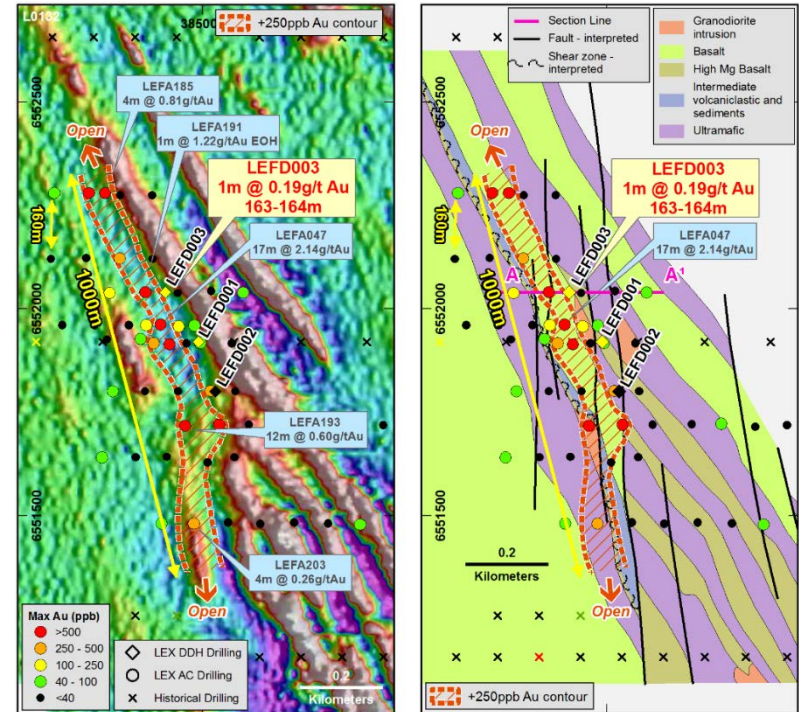
### Stage 2 farm-in requirements:

- If Gold Fields satisfies the Stage 1 Farm-in requirements, it has the option to elect to sole fund a further \$15 million of expenditure within a total of 6 years from commencement of the Agreement to earn an additional 19% interest (taking its total interest in the JV to 70%)
  - Gold Fields will manage all exploration activities during the farm-in period
  - If Gold Fields elects to process its share of gold ore through its St Ives Mill, LEX has 'tag along' rights to also receive processing services at St Ives on commercial terms
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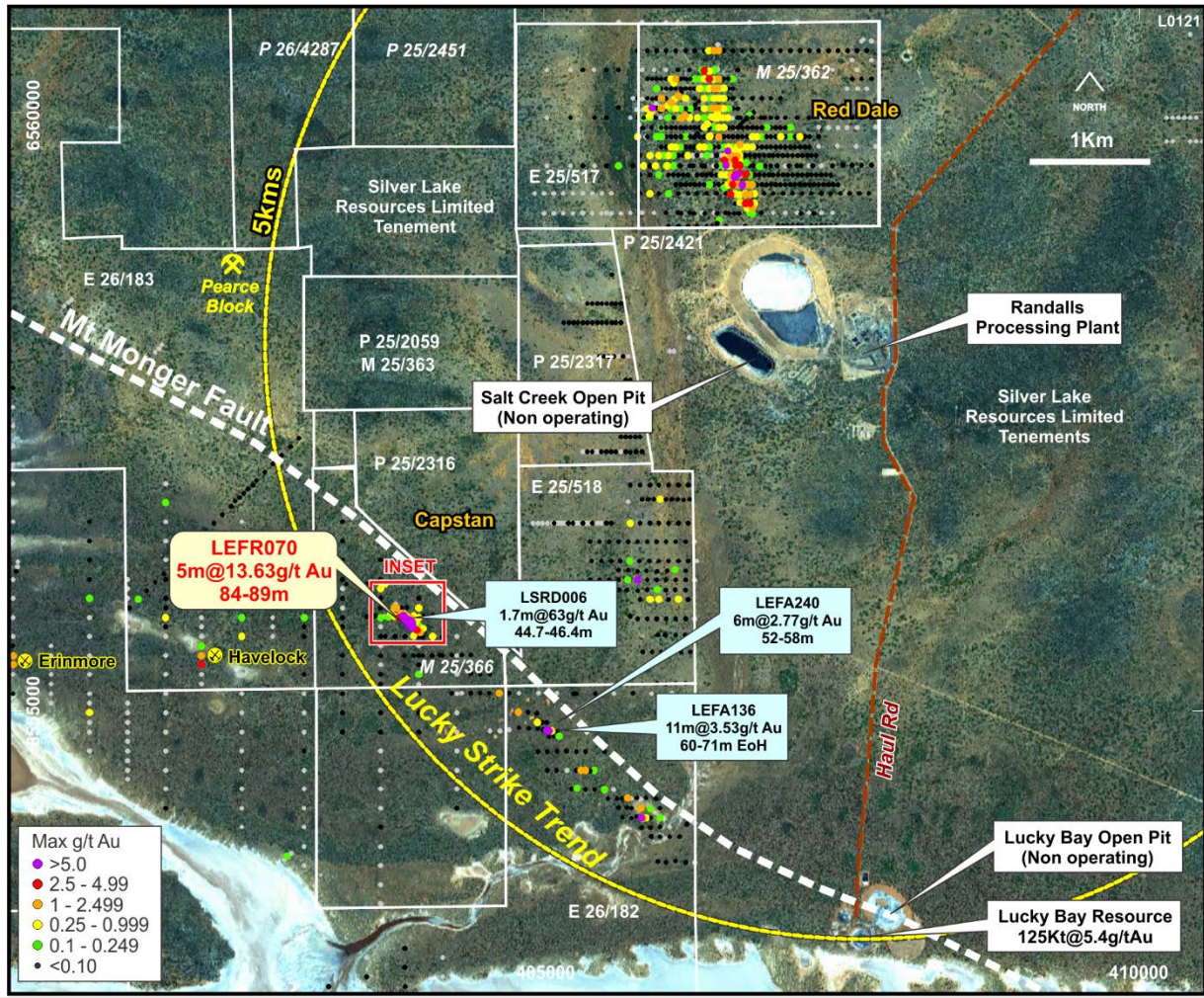
# Western Lefroy-JV background

- Gold Fields Limited is a globally diversified gold producer with seven operating mines in Australia, Ghana, Peru and South Africa
- Gold Fields mining assets in Australia include a 100% interest in the St Ives, Agnew, and Granny Smith mines, and 50% interest in the Gruyere project, all in Western Australia
- In 2017 at St Ives, Gold Fields drilled a total of 225,665m of exploration drilling and spent US\$29m on exploration\*
- The discovery, development and mining of the +1moz Invincible gold mine located at St Ives in Lake Lefroy demonstrates the abilities that Gold Fields will bring to the JV
- The large ground holding, acquisition of detailed geophysical datasets and the discovery of the Zanex prospect in Lake Lefroy by LEX will underpin the next phase of exploration on the western Lefroy project area



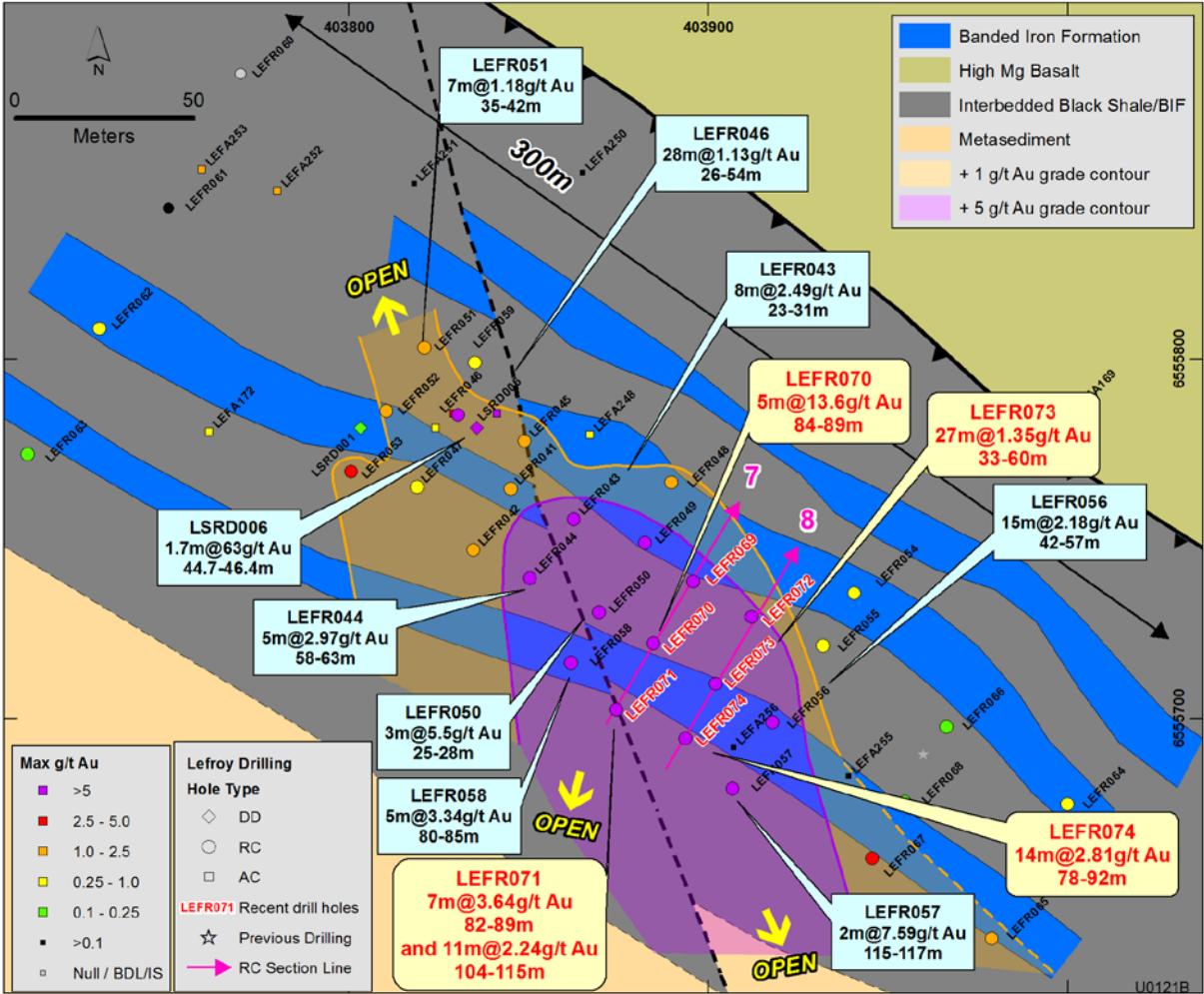
# Eastern Lefroy- LEX 100%

Successful exploration has delivered the growing high grade discovery at Lucky Strike and enhances district potential adjacent to the Randalls Processing Plant



# Eastern Lefroy- Lucky Strike

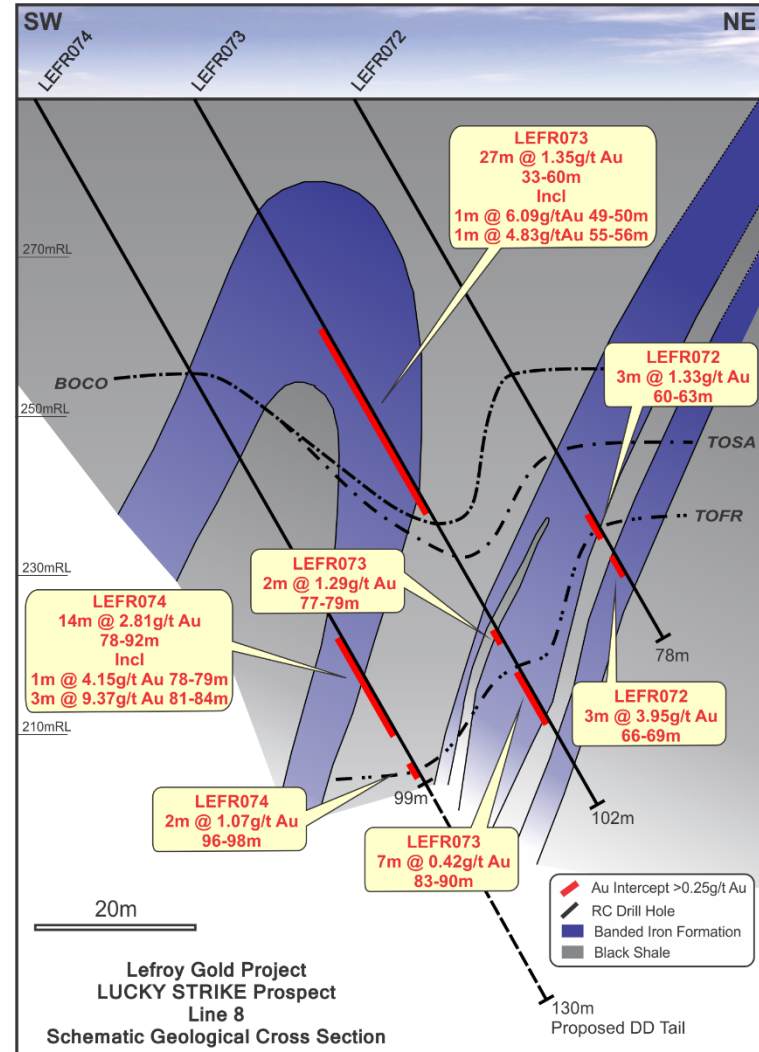
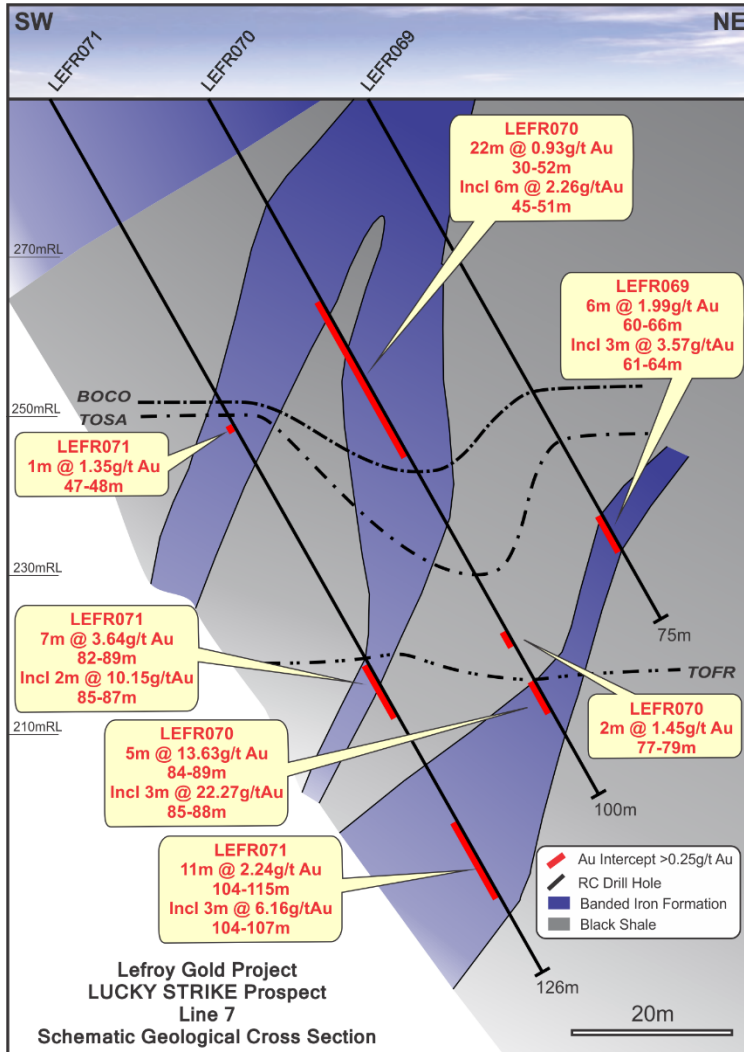
*A new high grade gold discovery with both prospect and district scale opportunities*



- Three phases of shallow RC drilling have defined gold mineralisation over a 300m strike length
- Gold mineralisation hosted by multiple banded iron formation units (BIF)
- Core high grade (+5g/t Au) zone defined open along strike and at depth
- Diamond drill results pending

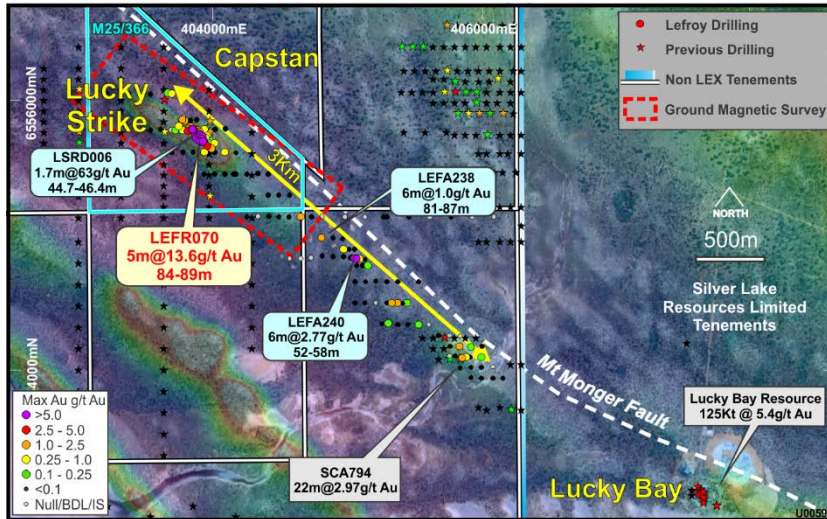
# Eastern Lefroy- Lucky Strike

## Gold mineralisation within multiple BIF units and open at depth

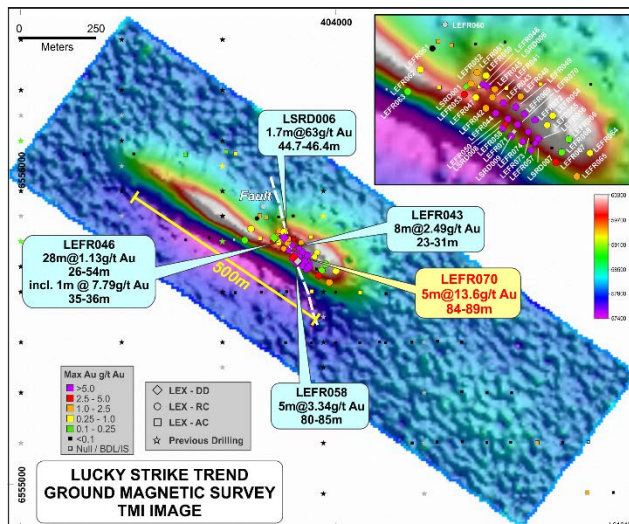


# Eastern Lefroy- Lucky Strike

*High grade gold mineralisation along an emerging structural corridor*



- Lucky Strike prospect is coincident with a linear magnetic high based on regional aeromagnetic data
- A detailed ground magnetic survey defined a discrete linear magnetic anomaly over a 500m strike length
- The anomaly is due to magnetite bearing sedimentary rocks--Banded Iron Formation (BIF)
- High grade intersections at Lucky Strike are hosted within altered BIF
- The BIF hosted gold model expands exploration opportunities in the area



# Eastern Lefroy- Lucky Strike

*BIF hosted gold model now provides a greater exploration search space by targeting the magnetic BIF units*

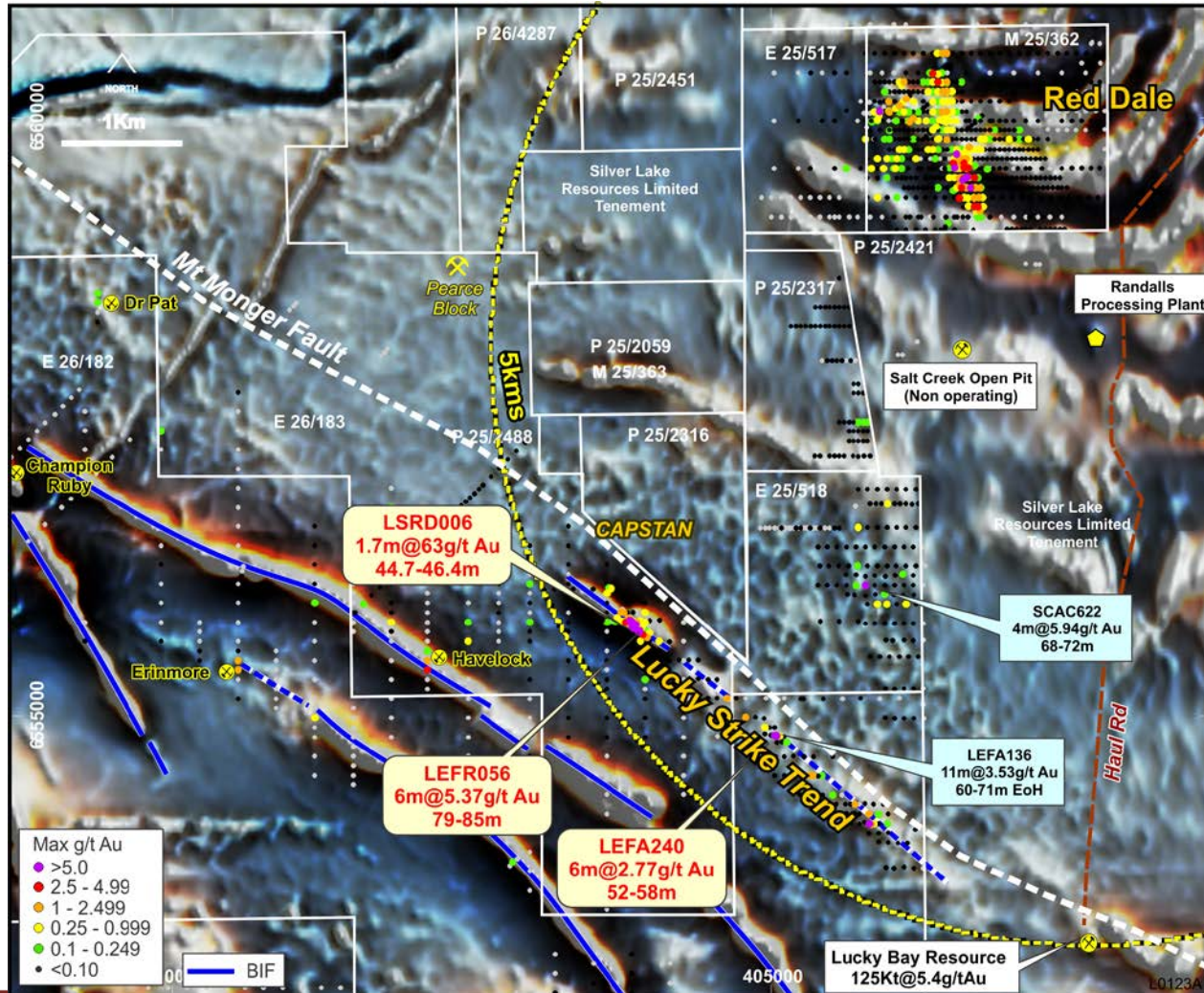
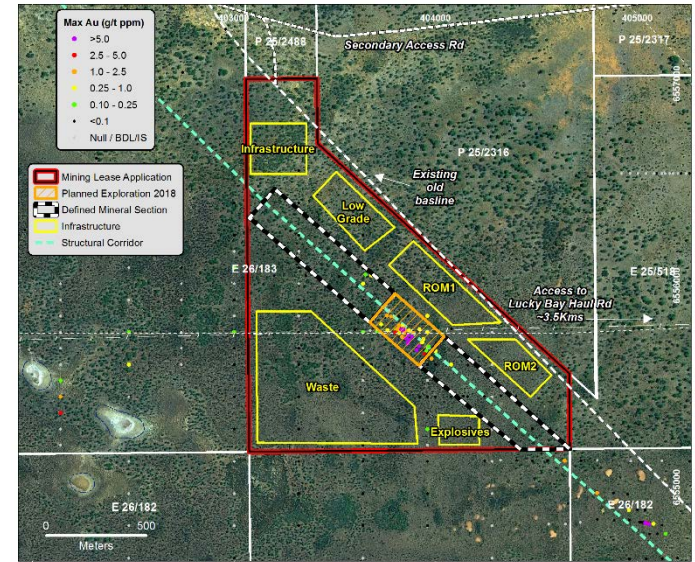


Image back drop-- Regional Grey Scale TMI 3VD

# Eastern Lefroy- Lucky Strike

## Advancing Exploration

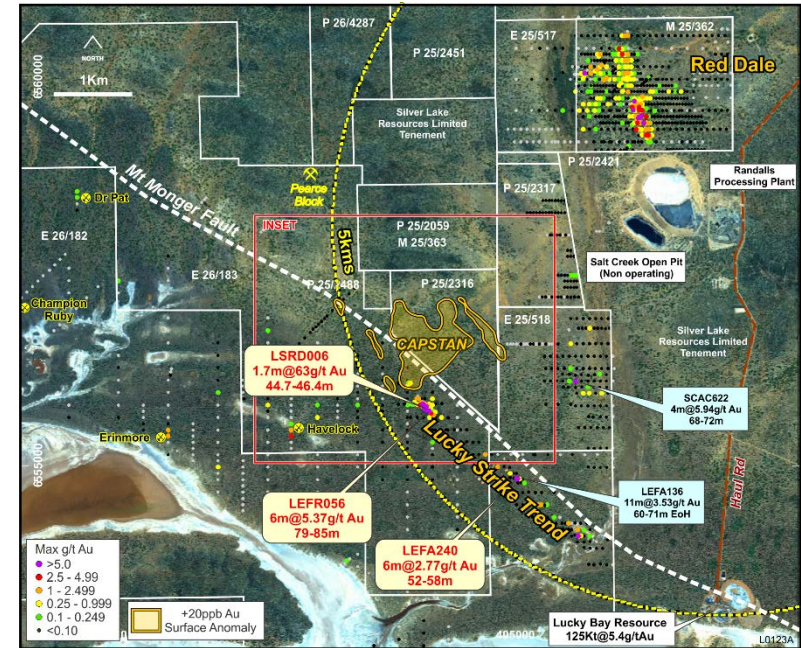
- Application for Mining Lease lodged
- Awarded co funding grant by WA State Government to support the drilling of two deep (400m) drill holes
- Expand the limits of the high grade envelope with deeper RC and diamond drilling
- Follow up existing air core gold anomalies along the Lucky Strike trend
- Initiate early stage exploration along the multiple BIF trends



# Eastern Lefroy-Capstan

*Enhancing the portfolio---A large undrilled surface gold anomaly next to Lucky Strike*

- Newly identified, broad, untested surface gold anomaly located adjacent and parallel to the Lucky Strike Trend
- Anomalous trend defined from previous explorers auger and soil sampling



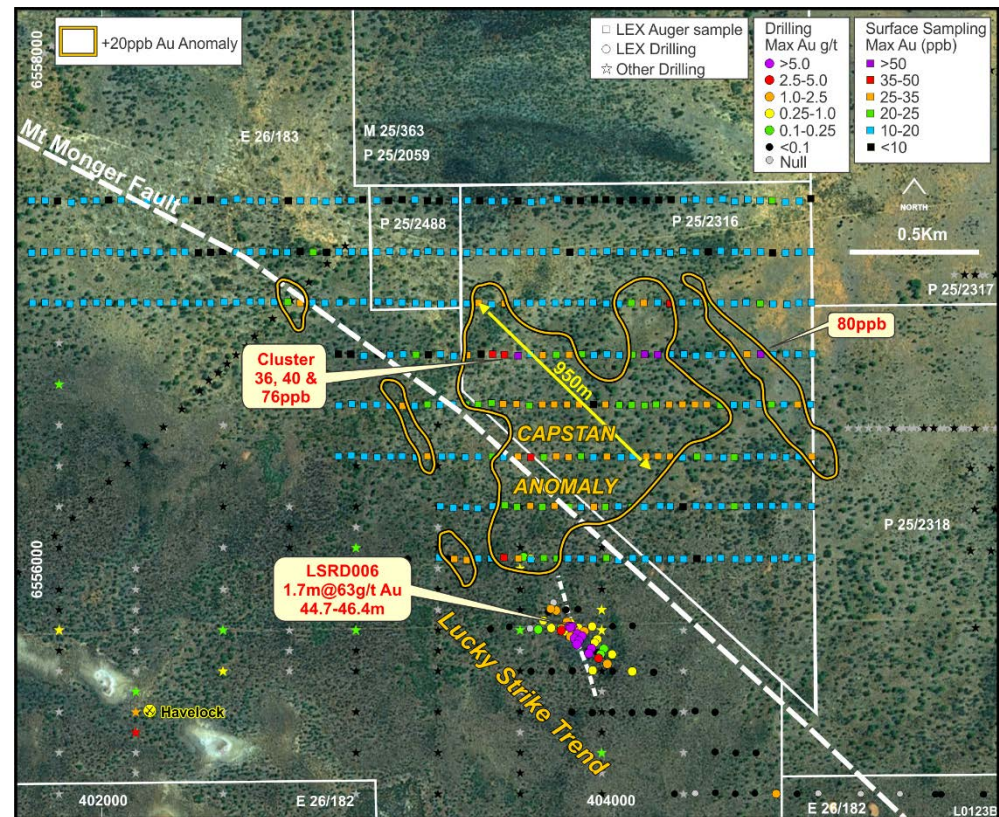
- Anomaly sited over interpreted mafic host rocks and along strike from historical workings
- Supports Company's view of the gold potential of the area



# Eastern Lefroy-Capstan

*Anomaly straddles the interpreted position of the regional Mt Monger Fault*

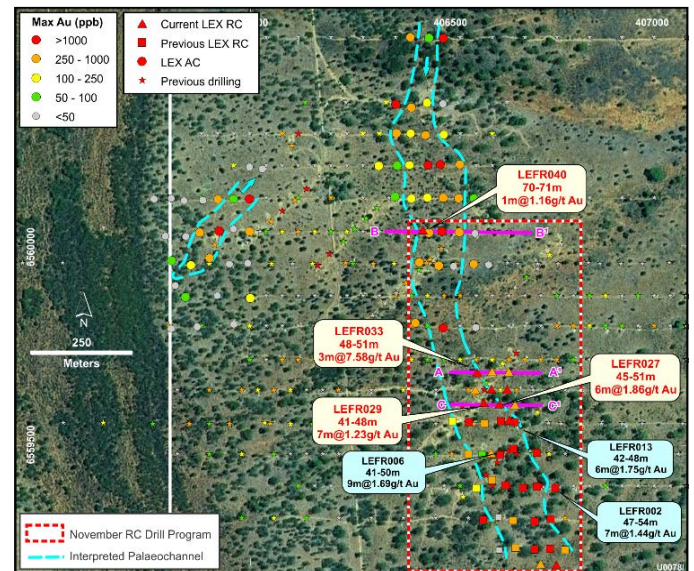
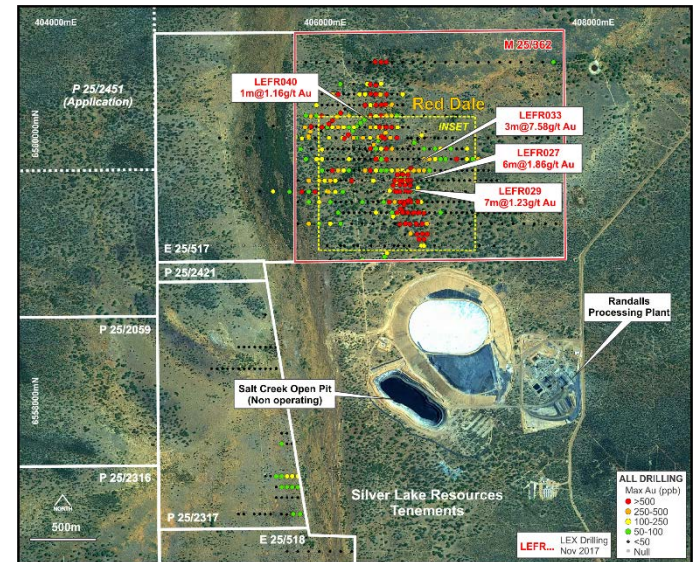
- Projection of the northerly trending fault at Lucky Strike is coincident with higher tenor gold in auger samples
- Capstan may represent a subtle surface expression of a bedrock gold system masked by transported cover
- Provides further evidence to support potential for multiple styles of bedrock gold mineralisation proximate to the nearby Salt Creek deposit.



# Eastern Lefroy-Red Dale

*Seeking the primary gold source from an impressive large gold in regolith footprint*

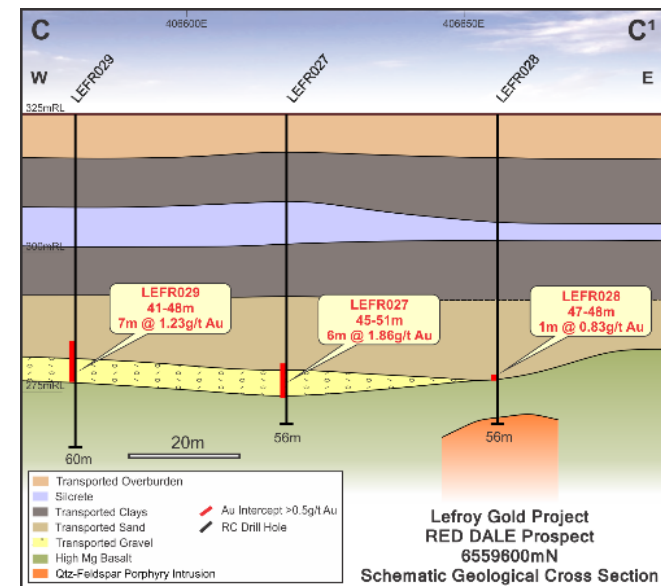
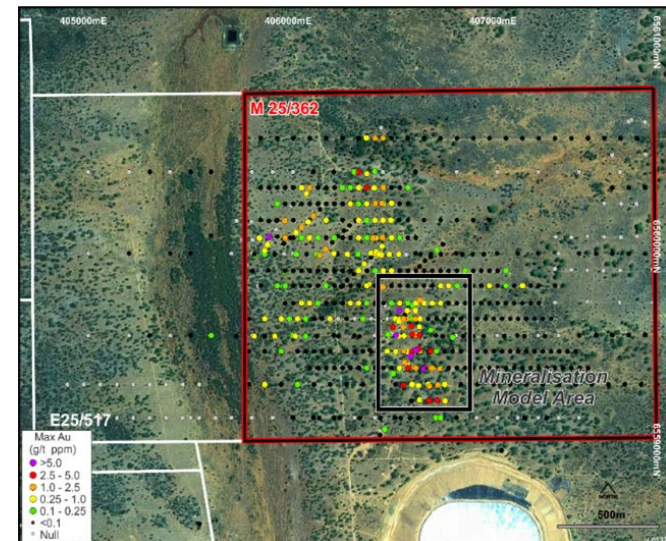
- Characterised by a broad geochemical gold footprint at the base of a palaeochannel over a 1600m strike length
- Single phases of aircore and RC drilling completed evaluating palaeochannel to narrow search for primary source area
- Higher tenor gold mineralisation intersected at the southern end of the palaeochannel
- Mineral Resource Estimate for the palaeochannel hosted gold mineralisation, outlined an indicated resource of 484,000 tonnes at 1.26g/t for 19,600 ounces of gold\*
- Mining Lease granted



\* Reference LEX March 2018 Quarterly Report : 27 April 2018

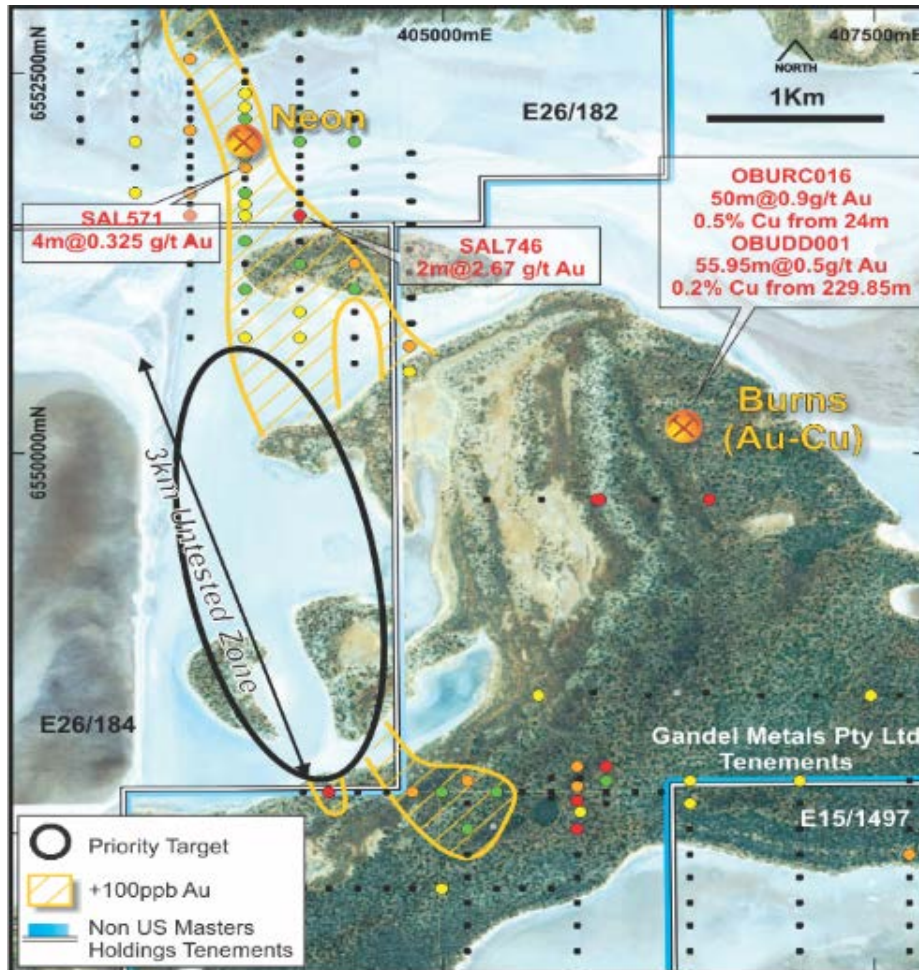
# Eastern Lefroy-Red Dale

- Resource area is immediately north of and adjoins the Randalls Processing Plant site
- RC drilling to search for primary bedrock mineralisation intersected gold mineralisation at the base of palaeochannel sediments
- The broad anomaly and intersections are reflecting anomalous gold concentrated within the basal gravels derived from a nearby bedrock source
- Palaeochannel hosted gold resource is open along strike to the north
- The extent of the regolith hosted mineralisation and resource provides guidance for the search for a bedrock source
- Exploration focus is the primary bedrock source



# Eastern Lefroy-Neon

The Neon\* Prospect is located adjacent to the Burns intrusion in Lake Randall



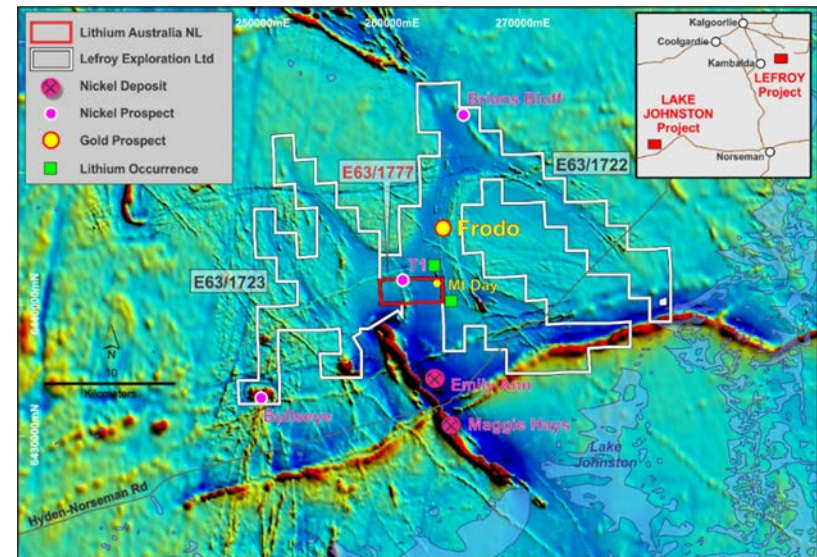
- Immediately south of Lucky Strike trend and Lucky Bay open pit
- Lies on the western margin of felsic intrusion that hosts the Burns Au-Cu prospect
- Gold mineralisation already discovered in bedrock previous explorers
- 2000m long gold anomaly defined from wide spaced vertical air core drilling in Lake Randall
- There has been limited follow up drilling since 2005.

\* Source reference LEX Prospectus dated 8 September 2016

# Growth Projects

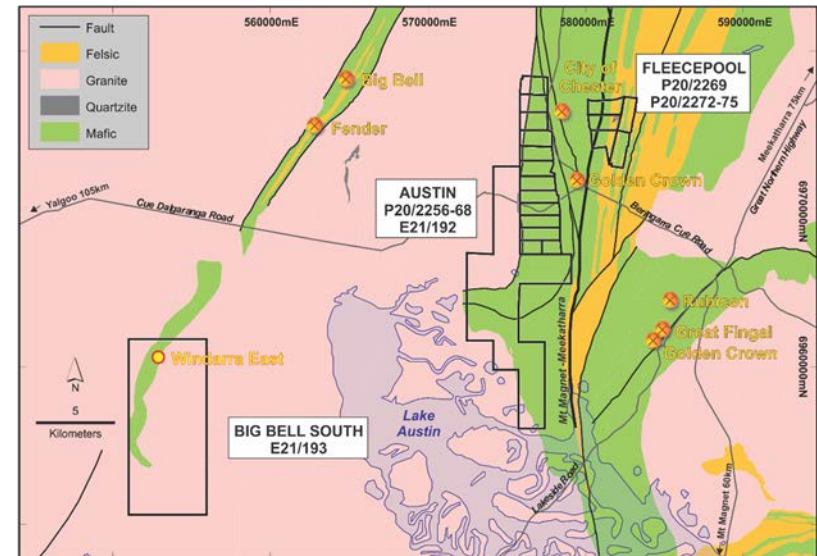
## Lake Johnston 100% owned

- Located to the west of Norseman and is north of the Maggie Hays and Emily Ann nickel deposits
- Prospective for both gold and nickel mineralisation
- Frodo gold anomaly has been identified as a priority RC drill target



## Murchison 100% owned

- Portfolio of granted tenements between Cue and Big Bell considered prospective for gold
- The Austin and Fleece Pool tenements lie adjacent to the Cuddingwarra Gold Mining Centre
- Increased activity in the area with recommencement of Big Bell and the Tuckabianna Processing plant



# Company Summary

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- ✓ The Company has a large highly prospective gold tenement package near Kalgoorlie, which complements its other tenement packages at Lake Johnston and in the Murchison District in Western Australia
  - ✓ Focused on and committed to the discovery of a new high value gold deposits at the Lefroy Gold Project
  - ✓ The Farm-in and JV Agreement with Gold Fields underpins and funds the next phase of exploration of the western Lefroy tenement package
  - ✓ Strong commitment to exploration and discovery, demonstrated by early stage drill exploration at Lucky Strike delivering a new high grade discovery and increased exploration opportunities .
  - ✓ Strong target generation ability that continues to enhance the portfolio
  - ✓ The proximity of the eastern Lefroy area to nearby gold processing facilities potentially allows for optionality the commercialisation of smaller gold discoveries
  - ✓ Tight capital structure means that the share price is leveraged to exploration success
  - ✓ The Board and Management Team have a strong track record of successful discovery, financing, development and management of mining projects
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# Competent Person Statement



## Notes Specific-ASX Announcements AGM Presentation

The following announcements were lodged with the ASX (including supporting JORC Reporting Tables) and details for each of the sections noted in this Presentation and can be found in the announcements. Note that these announcements are not the only announcements released to the ASX since the last presentation dated 4 December 2017 but specific to exploration reporting. The Company confirms that it is not aware of any new information or data that materially affects the information previously reported;

December 2017 Quarterly Activities Report 31 January 2018

Robust Surface Gold Anomaly Confirmed at Capstan 7 February 2018

Strong Drill Results Extend Gold Mineralisation at Lucky Strike 14 February 2018

March 2018 Quarterly Activities Report 27 April 2018

High Grade Gold Intersected at Lucky Strike 16 May 2018

Exploration Update- Lucky Strike Drilling Completed 28 May 2018

Lucky Strike Update Successful EIS Grant 1 June 2018

LEX Secures \$25m Farm In and JV Agreement with Gold Fields 7 June 2018

*The information in this announcement that relates to exploration targets and exploration results is based on information compiled by Wade Johnson a competent person who is a member of the Australian Institute of Geoscientists (AIG). Wade Johnson is employed by Lefroy Exploration Limited. Wade Johnson has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the JORC Code. Wade Johnson consents to the inclusion in this announcement of the matters based on his work in the form and context in which it appears.*

*The information in this report that relates to the Mineral Resource estimate at the Red Dale deposit is based on, and fairly represents, information which has been compiled by Mr Stephen Godfrey. Mr. Godfrey is Principal Resource Geologist at Resource Evaluation Services, a Member of the Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Mr. Godfrey has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that is being undertaken to qualify as Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Godfrey consents to the inclusion in this report of the matters based on his information in the form and context in which they appear.*

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# THANK YOU

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